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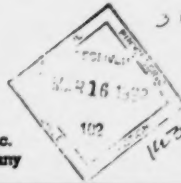
FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

(X) Quarterly Report Pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934

For quarter ended January 31, 1992

Commission file number 33-38482



33-12285 1. Ferrellgas, Inc.
33-38482-02 2. Ferrell Companies, Inc.
33-38482-03 3. One Liberty Oil Company

(Exact name of registrants as specified in their charters)

Delaware		73-1285864
Kansas		48-0587968
Missouri		43-1180681
(State or other jurisdiction of incorporation or organization)		(I.R.S. Employer Identification Nos.)

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One Liberty Plaza, Liberty, Missouri 64068

(Address of principal executive offices)

Registrants' telephone number, including area code: (816) 792-1600

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days.
Yes X No __

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of January 31, 1992:

Ferrellgas, Inc. - 1,000 shares of $1 par value common stock
Ferrell Companies, Inc. - 2,873,100 shares of Class A common stock
643,275 shares of Class B common stock
5,841 shares of $.01 par value Class M common stock
One Liberty Oil Company - 100 shares of $1 par value common stock

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FERRELLGAS, INC.
FERRELL COMPANIES, INC.
ONE LIBERTY OIL COMPANY

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

FERRELLGAS, INC.
(a wholly-owned subsidiary of
Ferrell Companies, Inc.)
AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET
(In thousands except for share data)

Assets	January 31, 1992 (unaudited)	July 31, 1991 (audited)
Current assets:		
Cash and cash equivalents	$ 63,165	$ 42,228
Accounts and notes receivable	83,754	55,826
Inventories	25,803	21,434
Prepaid expenses and other current assets	4,318	2,319
Receivable from parent and affiliate	733	160
Total current assets	167,773	121,967
Property, plant and equipment	316,743	318,203
Intangible assets	86,589	89,587
Other assets	18,976	19,204
Investment in Class B redeemable common stock of parent	23,721	23,721
Note receivable from parent	2,174	2,035
	$616,976	$574,717

Liabilities and Stockholder's Equity		
Current liabilities		
Accounts payable	$ 40,894	$ 35,579
Short-term borrowings	3,075	-
Current portion of long-term debt	2,009	2,155
Accrued interest expense	11,114	11,751
Other current liabilities	18,042	19,079
Total current liabilities	75,133	68,564
Long-term debt	502,191	466,585
Other liabilities	6,538	6,931
Deferred income taxes	8,037	8,268
Long-term notes payable to parent and affiliate	2,781	2,682
Common stock, one dollar par value; 10,000 shares authorized; 1,000 shares issued and outstanding	1	1
Additional paid-in capital	25,367	25,367
Accumulated deficit	(4,072)	(3,681)
	$616,976	$574,717

See notes to consolidated financial statements.

FERRELLGAS, INC.
(a wholly-owned subsidiary of
Ferrell Companies, Inc.)
AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS
(unaudited)
(In thousands)

	For the three months ended	
	January 31, 1992	January 31, 1991
Revenues:		
Gas liquids and related products	$188,352	$204,137
Other	5,300	8,187
Total revenues	193,652	212,324
Costs and expenses:		
Cost of products sold	106,161	120,992
Operating	37,123	37,156
Depreciation and amortization	7,660	8,817
General and administrative	2,371	3,305
Vehicle leases	1,143	1,037
Total costs and expenses	154,458	171,307
Operating income	39,194	41,017
Loss on disposal of assets	(295)	(241)
Interest income	1,211	695
Interest expense	(15,593)	(15,365)
Earnings from continuing operations before income taxes and extraordinary loss	24,517	26,106
Income tax expense	9,433	10,260
Earnings from continuing operations before extraordinary loss	15,084	15,846
Extraordinary loss from refinancing of debt, net of income tax benefit of $6,116	9,979	-
Net earnings	$ 5,105	$ 15,846

See notes to consolidated financial statements.

FERRELLGAS, INC.
(a wholly-owned subsidiary of
Ferrell Companies, Inc.)
AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS
(unaudited)
(In thousands)

	For the six months ended	
	January 31, 1992	January 31, 1991
Revenues:		
Gas liquids and related products	$295,388	$330,504
Other	12,527	17,547
Total revenues	307,915	348,051
Costs and expenses:		
Cost of products sold	170,729	198,965
Operating	69,847	68,839
Depreciation and amortization	18,479	17,438
General and administrative	4,966	6,315
Vehicle leases	2,212	2,023
Total costs and expenses	263,233	293,580
Operating income	44,682	54,471
Loss on disposal of assets	(454)	(457)
Interest income	2,064	1,847
Interest expense	(30,608)	(30,734)
Earnings from continuing operations before income taxes and extraordinary loss	15,684	24,927
Income tax expense	6,096	10,067
Earnings from continuing operations before extraordinary loss	9,588	14,860
Extraordinary loss from refinancing of debt, net of income tax benefit of $6,116	9,979	-
Net earnings (loss)	$ (391)	$ 14,860

See notes to consolidated financial statements.

FERRELLGAS, INC.
(a wholly-owned subsidiary of
Farrell Companies, Inc.)
AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
(unaudited)
(In thousands)

	For the six months ended	
	January 31, 1992	January 31, 1991
Cash flows from operating activities:		
Earnings from continuing operations:	$ 9,588	$ 14,806
Reconciliation of earnings to net cash provided by continuing operations:		
Depreciation and amortization	18,479	17,438
Amortization of capitalized financing costs	1,232	1,124
Amortization of note discount	298	272
Provision for losses on accounts receivable	1,109	1,144
Loss on disposal of assets	454	457
Increase in assets:		
Accounts and notes receivable	(29,383)	(56,575)
Inventories	(4,369)	(8,569)
Prepaid expenses and other current assets	(2,049)	(1,839)
Increase (decrease) in liabilities:		
Accounts payable	8,318	24,144
Accrued interest expense	(832)	6,484
Other current liabilities	(1,816)	4,191
Other liabilities	249	(979)
Deferred income taxes	8,885	9,741
Net cash provided by operating activities	1,890	1,893
Cash flows from investing activities:		
Capital expenditures	(10,930)	(19,960)
Proceeds from asset sales	1,757	884
Additions to intangible assets	(2,175)	(4,868)
Additions to other assets	(203)	(330)
Net cash used in investing activities	(11,551)	(24,174)
Cash flows from financing activities:		
Net short-term borrowings	3,078	-
Additions to long-term debt	246,841	1,575
Reductions of long-term debt	(211,477)	(1,693)
Additional payments to retire subordinated debt	(11,983)	-
Additions to financing costs	(4,740)	-
Advances from (to) parent and affiliate	(516)	(1,021)
Investment in Class B redeemable common stock of parent	-	(11)
Net cash provided (used) by financing activities	20,896	(1,150)
Increase (decrease) in cash and cash equivalents	10,937	(23,431)
Cash and cash equivalents - beginning of period	42,228	36,707
Cash and cash equivalents - end of period	$ 53,165	$ 13,276

See notes to consolidated financial statements.

FERRELLGAS, INC.
(a wholly-owned subsidiary of
Ferrell Companies, Inc.)
AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the periods ended January 31, 1992 and 1991
(unaudited)

A. Reference should be made to the Notes to Consolidated Financial Statements for the fiscal years ended July 31, 1991, 1990 and 1989, included in the registration statement on Form S-1 (Commission File No. 33-39932) filed with the SEC.

B. The financial statements reflect all adjustments which are, in the opinion of management, necessary for a fair statement of the interim periods presented. All adjustments to the financial statements were of a normal, recurring nature.

C. The propane industry is seasonal in nature with peak activity during the winter months. Therefore, the results of operations for the periods ended January 31, 1992 and 1991, are not necessarily indicative of the results to be expected for a full year.

D. On August 1, 1991, Ferrellgas, Inc. and Subsidiaries (the Company) revised the estimated useful lives of storage tanks from 20 to 30 years in order to more closely reflect expected useful lives of the assets. The effect of this change in accounting estimate resulted in an increase of $971,000 in the net earnings for the three months ended January 31, 1992, and a decrease of $1,881,000 in the net loss for the six months ended January 31, 1992.

E. In December 1991 the Company issued, at 98.418% of face value, $250,000,000 of 11 5/8% Senior Subordinated Debentures due 2003. A portion of the proceeds were used to redeem the Company's existing subordinated debt, together with a prepayment premium, leaving the remainder available to finance future acquisitions. The refinancing of the subordinated debt resulted in an extraordinary loss from prepayment premium and write-off of financing costs of approximately $9,879,000, net of income tax benefit.

FERRELL COMPANIES, INC.
AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET
(In thousands except for share data)

Assets	January 31, 1992 (unaudited)	July 31, 1991 (audited)
Current assets:		
Cash and cash equivalents	$ 53,334	$ 42,321
Accounts and notes receivable	83,888	55,961
Inventories	25,803	21,434
Prepaid expenses and other current assets	4,343	2,326
Total current assets	167,368	122,042
Property, plant and equipment	316,794	318,254
Intangible assets	86,689	89,587
Other assets	16,882	17,233
Net assets related to discontinued operations	5,491	5,491
	$593,224	$ 552,607

Liabilities and Stockholder's Equity		
Current liabilities:		
Accounts payable	$ 40,894	$ 35,879
Short-term borrowings	3,075	-
Current portion of long-term debt	2,020	2,167
Accrued interest expense	11,114	11,751
Other current liabilities	18,042	19,079
Total current liabilities	75,145	68,876
Long-term debt	502,408	466,813
Other liabilities	14,605	16,763
Deferred income taxes	4,534	4,765
Class B redeemable common stock	16,111	16,211
Common stock, no par value; 3,850,000 shares authorized; 2,573,100 shares issued and outstanding	211	211
Class M common stock, $.01 par value; 300,000 shares authorized; 8,891 issued and 8,841 outstanding	-	-
Additional paid-in capital	336	-
Accumulated deficit	(20,126)	(19,732)
	$593,224	$552,607

See notes to consolidated financial statements.

FERRELL COMPANIES, INC.
AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS
(unaudited)
(In thousands except per share data)

	For the three months ended	
	January 31, 1992	January 31, 1991
Revenues:		
Gas liquids and related products	$188,352	$204,137
Other	5,309	8,235
Total revenues	193,661	212,372
Costs and expenses:		
Cost of products sold	106,161	120,992
Operating	37,123	37,156
Depreciation and amortization	7,660	8,817
General and administrative	2,448	5,401
Vehicle leases	1,143	1,037
Total costs and expenses	154,535	173,403
Operating income	39,126	38,969
Loss on disposal of assets	(295)	(241)
Interest income	1,242	782
Interest expense	(15,553)	(15,176)
Earnings from continuing operations before income taxes and extraordinary loss	24,520	24,334
Income tax expense	9,434	9,551
Earnings from continuing operations before extraordinary loss	15,086	14,783
Extraordinary loss from refinancing of debt, net of income tax benefit of $6,116	9,979	-
Net earnings	$ 5,107	$ 14,783
Net earnings (loss) per common share:		
Earnings before extraordinary loss	$ 5.33	$ 5.02
Extraordinary loss	(3.52)	-
Net earnings	$ 1.81	$ 5.02

See notes to consolidated financial statements.

FERRELL COMPANIES, INC.
AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS

(unaudited)
(In thousands except per share data)

	For the six months ended	
	January 31, 1992	January 31, 1991
Revenues:		
Gas liquids and related products	$295,358	$330,504
Other	12,572	17,610
Total revenues	307,930	348,114
Costs and expenses:		
Cost of products sold	170,729	198,965
Operating	69,847	68,839
Depreciation and amortization	15,479	17,438
General and administrative	5,134	10,484
Vehicle leases	2,212	2,023
Total costs and expenses	263,401	297,749
Operating income	44,529	50,365
Loss on disposal of assets	(454)	(457)
Interest income	3,125	1,882
Interest expense	(30,520)	(30,406)
Earnings from continuing operations before income taxes and extraordinary loss	16,680	21,384
Income tax expense	6,095	8,650
Earnings from continuing operations before extraordinary loss	9,585	12,734
Extraordinary loss from refinancing of debt, net of income tax benefit of $6,116	9,979	-
Net earnings (loss)	$ (394)	$ 12,734
Net earnings (loss) per common share:		
Earnings before extraordinary loss	$ 3.72	$ 4.33
Extraordinary loss	(3.87)	-
Net earnings (loss)	$ (.15)	$ 4.33

See notes to consolidated financial statements.

FERRELL COMPANIES, INC.
AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
(unaudited)
(In thousands)

	For the six months ended	
	January 31, 1992	January 31, 1991
Cash flows from operating activities:		
Earnings from continuing operations	$ 9,585	$ 12,734
Reconciliation of earnings to net cash provided by continuing operating activities:		
Depreciation and amortization	15,479	17,436
Amortization of capitalized financing costs	1,232	1,124
Amortization of note discount	298	272
Provision for losses on accounts receivable	1,109	1,144
Loss on disposal of assets	464	467
Increase in assets:		
Accounts and notes receivable	(29,352)	(66,560)
Inventories	(4,369)	(8,569)
Prepaid expenses and other current assets	(2,067)	(1,834)
Increase (decrease) in liabilities:		
Accounts payable	5,315	24,144
Accrued interest expense	(637)	6,030
Other current liabilities	(1,616)	4,178
Other liabilities	(516)	2,993
Deferred income taxes	6,885	8,325
Net cash provided by continuing operating activities	700	1,873
Cash flows from investing activities:		
Capital expenditures	(10,930)	(19,960)
Proceeds from asset sales	1,757	684
Additions to intangible assets	(2,175)	(4,568)
Additions to other assets	(80)	(370)
Cash used by discontinued operations	-	(2,505)
Net cash used in investing activities	(11,428)	(26,719)
Cash flows from financing activities:		
Net short-term borrowings	3,075	-
Additions to long-term debt	246,841	1,575
Reductions of long-term debt	(211,488)	(1,702)
Additional payments to retire subordinated debt	(11,983)	-
Additions to financing costs	(4,740)	-
Investment in Class B redeemable common stock	(100)	(11)
Proceeds from issuance of Class M stock	376	-
Net cash provided (used) by financing activities	21,741	(138)
Increase (decrease) in cash and cash equivalents	11,013	(24,984)
Cash and cash equivalents - beginning of period	42,321	38,356
Cash and cash equivalents - end of period	$ 53,334	$ 13,372

See notes to consolidated financial statements.

FERRELL COMPANIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Periods ended January 31, 1992 and 1991
(unaudited)

A. Reference should be made to the Notes to Consolidated Financial Statements for the fiscal years ended July 31, 1991, 1990 and 1989, included in the registration statement on Form S-1 (Commission File No. 33-39932) filed with the SEC.

B. The financial statements reflect all adjustments which are, in the opinion of management, necessary for a fair statement of the interim periods presented. All adjustments to the financial statements were of a normal, recurring nature.

C. The propane industry is seasonal in nature with peak activity during the winter months. Therefore, the results of operations for the periods ended January 31, 1992 and 1991, are not necessarily indicative of the results to be expected for a full year.

D. On August 1, 1991, Ferrell Companies, Inc. and Subsidiaries (the Company) revised the estimated useful lives of storage tanks from 20 to 30 years in order to more closely reflect expected lives of the assets. The effect of this change in accounting estimate resulted in an increase of $971,000 in net earnings ($.34 per common share) for the three months ended January 31, 1992, and a decrease of $1,881,000 in the net loss ($.73 per common share) for the six months ended January 31, 1992.

E. In December 1991 the Company issued, at 98.418% of face value, $250,000,000 of 11 5/8% Senior Subordinated Debentures due 2003. A portion of the proceeds were used to redeem the Company's existing subordinated debt, together with a prepayment premium, leaving the remainder available to finance future acquisitions. The refinancing of the subordinated debt resulted in an extraordinary loss from prepayment premium and write-off of financing costs of approximately $9,979,000, net of income tax benefit.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion of the historical financial condition and results of operations of Ferrellgas, Inc. and subsidiaries (the "Company") and Ferrell Companies, Inc. and its subsidiaries ("Ferrell"). The discussion should be read in conjunction with the financial statements and the notes thereto included elsewhere in this Form 10-Q.

Results of Operations - the Company

The propane industry is seasonal in nature with peak activity during the winter months. Due to the seasonality of the business, results of operations for the three months and six months ended January 31, 1992, are not necessarily indicative of the results to be expected for a full year. Other factors affecting the results of operations include competitive conditions, demand for product and fluctuations in propane prices.

Three Months Ended January 31, 1992 vs. January 31, 1991

Total Revenues. Total revenues decreased 8.8% to $193,652,000 as compared to $212,324,000 for the prior period. This decrease is attributable to revenues from retail operations decreasing 10.5% to $158,744,000 and revenues from other operations (wholesale propane marketing, chemical feedstocks marketing and net trading operations) decreasing .3% to $34,908,000.

The decrease in revenues attributable to retail operations resulted mainly from a decrease in selling price. The decrease in selling price is related to the end of the Persian Gulf crisis and to competitive pressures within the industry. In fiscal 1991, selling prices were increased in response to product cost increases brought about by the Persian Gulf crisis. The volume of gallons sold, excluding acquisitions, decreased slightly due to temperatures being warmer than normal and warmer than the prior year in the primary heating months. The decrease in selling price and volumes decreased total revenues by $20,581,000 and $808,000, respectively. Acquisitions in fiscal 1991 and 1992 increased fiscal 1992 revenues by $3,419,000.

Total revenues attributable to other operations decreased slightly as compared to fiscal 1991. Wholesale propane marketing revenues decreased as a result of a change in marketing strategy and a decrease in selling price and volumes for reasons noted above for retail operations. Net trading operations results decreased due to a less volatile market than existed in fiscal 1991 during the Persian Gulf crisis. Chemical feedstocks marketing revenues increased due to additional emphasis on butane sales.

Gross Profit. Gross profit decreased 4.2% to $87,491,000 as compared to $91,332,000 for the prior period. Approximately one-third of this decrease was attributable to retail operations as a result of competitive pressures in the industry and temperatures being warmer than normal and warmer than the prior year in the primary heating months. The balance of the gross profit decrease is primarily attributable to a decline in net trading results due to less volatile market conditions than existed in fiscal 1991. Total gross

profit as a percentage of total revenues increased to 45.2%, as compared to 43.0% for the prior period.

Operating Expenses. Operating expenses decreased to $37,123,000 as compared to $37,186,000 for the prior period. This decrease is primarily due to a reduction in incentive compensation expense. This decrease was offset by (i) continuing increases in general liability and worker's compensation insurance expense, (ii) an increase in employee training expense due to increased emphasis on training of retail operations personnel and (iii) an increase in expenses due to acquisitions in fiscal 1992 and 1991.

Depreciation and Amortization. Depreciation and amortization expense decreased to $7,860,000 as compared to $8,817,000 for the prior period due to a change in the useful lives of certain assets as discussed in the notes to the consolidated financial statements.

General and Administrative Expense. General and administrative expense decreased 28.3% to $2,371,000 as compared to $3,306,000 for the prior period due to a reduction in incentive compensation expense.

Extraordinary Loss. The extraordinary loss is due to the refinancing of the subordinated debt and is discussed in the notes to the consolidated financial statements.

Net Earnings. Net earnings decreased 67.8% to $5,105,000 as compared to $15,846,000 for the prior period due to the decrease in gross profit and the extraordinary loss on refinancing of the subordinated debt.

Six Months Ended January 31, 1992 vs. January 31, 1991

Total Revenues. Total revenues decreased 11.5% to $307,915,000 as compared to $348,061,000 for the prior period. This decrease is attributable to revenues from retail operations decreasing 12.6% to $249,803,000 and revenues from other operations (wholesale propane marketing, chemical feedstocks marketing and net trading operations) decreasing 6.8% to $58,412,000.

The decrease in revenues attributable to retail operations resulted mainly from a decrease in selling price. The decrease in selling price is related to the end of the Persian Gulf crisis and to competitive pressures within the industry. In fiscal 1991, selling prices were increased in response to product cost increases brought about by the Persian Gulf crisis. The volume of gallons sold, excluding acquisitions, decreased due to temperatures being warmer than normal and warmer than prior year in the primary heating months, along with competitive pressures within the industry. The decrease in selling price and volumes decreased total revenues by $34,263,000 and $7,308,000, respectively. Acquisitions in fiscal 1991 and 1992 increased fiscal 1992 revenues by $6,817,000

The decrease in revenues attributable to other operations resulted from decreases in wholesale propane marketing and net trading operations revenues offset by an increase in chemical feedstocks marketing revenues. Wholesale propane marketing

revenues decreased as a result of a change in marketing strategy and a decrease in selling price and volumes for reasons noted above for retail operations. Net trading operations results decreased due to a less volatile market than existed in fiscal 1991 during the Persian Gulf crisis. Chemical feedstocks marketing revenues increased due to additional emphasis on butane sales.

Gross Profit. Gross profit decreased 8.0% to $137,186,000 as compared to $149,086,000 for the prior period. The majority of the decrease was attributable to retail operations as a result of competitive pressures in the industry and warmer than normal and warmer than prior year temperatures in the primary heating months. The balance of the gross profit decrease is primarily attributable to a decline in net trading results due to less volatile market conditions than existed in fiscal 1991. Total gross profit as a percentage of total revenues increased to 44.6%, as compared to 42.8% for the prior period.

Operating Expenses. Operating expenses increased to $69,847,000 as compared to $68,839,000 for the prior period. This increase is primarily due to (i) continuing increases in general liability and worker's compensation insurance expense, (ii) an increase in employee training expense due to increased emphasis on training of retail operations personnel and (iii) an increase in expenses due to acquisitions in fiscal 1992 and 1991. These increases were offset by a reduction in incentive compensation expense.

Depreciation and Amortization. Depreciation and amortization expense decreased to $15,479,000 as compared to $17,438,000 for the prior period due to a change in the useful lives of certain assets as discussed in the notes to the consolidated financial statements.

General and Administrative Expense. General and administrative expense decreased 21.4% to $4,966,000 as compared to $6,318,000 for the prior period due to a reduction in incentive compensation expense.

Extraordinary Loss. The extraordinary loss is due to the refinancing of the subordinated debt and is discussed in the notes to the consolidated financial statements.

Net Earnings (Loss). Net earnings (loss) decreased to a net loss of $391,000 as compared to net earnings of $14,860,000 for the prior period due primarily to the decrease in gross profit and the extraordinary loss on the refinancing of subordinated debt.

Liquidity and Capital Resources - the Company

The ability of the Company to satisfy its obligations will be dependent upon future performance, which will be subject to prevailing economic conditions and to financial, business, weather conditions and other factors, many of which are beyond its control.

For the six months ended January 31, 1992, the Company's operating cash flow provided from operations (as measured by operating income before depreciation and amortization) was $60,161,000, which was sufficient to (i) make interest payments and

required reductions to existing debt, (ii) make purchases of property, plant and equipment and (iii) make selective acquisitions of small propane operations. Over the next twelve months the Company expects to generate sufficient cash from operations to meet its obligations.

Continuing Operating Activities. Cash provided by continuing operating activities decreased to $1,890,000 for the six months ended January 31, 1992, as compared to $1,893,000 for the prior period. This decrease was mainly attributable to a decrease in operating results of the Company and a decrease in accounts payable from the prior year, both of which were offset by a decrease in accounts receivable.

Investing. During the six months ended January 31, 1992, the Company made aggregate expenditures for intangible assets and property, plant and equipment of $13,145,000. The property, plant and equipment expenditures consisted of market facility and office equipment maintenance expenditures of $3,383,000, vehicle change-out expenditures of $1,384,000, other market maintenance expenditures of $392,000, with the balance related to acquisition of propane businesses and tanks for new customers.

Total capital expenditures are essentially governed by the cash interest coverage ratio covenants contained in the various debt agreements. These covenants limit capital expenditures depending on the cash flow and cash interest expense of the Company. The Company maintains its vehicle and transportation equipment fleet by leasing light and medium duty trucks and tractors. The Company believes vehicle leasing is a cost effective method for financing transportation equipment. Capital requirements for repair and maintenance of property, plant and equipment are relatively low since technological change is limited and the useful lives of propane tanks and cylinders, the Company's principal physical assets, are generally long.

Financing. Cash provided by operating activities is expected to continue to provide much of the funding necessary for the Company's capital expenditures in the short-term. On December 12, 1991, the Company issued, at 98.418% of face value, $250,000,000 of 11 5/8% Senior Subordinated Debentures due 2003. A portion of the proceeds were used to redeem the Company's existing subordinated debt with an associated prepayment premium.

The Company has a $80,000,000 bank credit facility which provides for a working capital facility and a letter of credit facility. The unused portion of the facility was $16,493,000 as of January 31, 1992. There were no short-term borrowings outstanding under the credit facility. The credit facility is utilized to provide letters of credit issued in the normal course of business. The Company's working capital needs are seasonal and, generally, additional cash is needed during winter months as inventory levels are increased and product purchases and operating expenses are paid for before receivables are collected.

The Company does not have any significant commitments for fixed asset acquisitions, unusual working capital commitments or contingent liabilities which might materially affect short-term or long-term liquidity. Future short-term capital needs of the

Company are expected to be provided by future operations and existing cash balances.

Results of Operations, Liquidity and Capital Resources - Ferrell

Virtually all of Ferrell's operating activities occur through its subsidiaries. Ferrell's principal assets consist almost entirely of its ownership of the stock of its subsidiaries. The results of Ferrell's operations are, therefore, largely determined by the results of operations of its principal operating subsidiary, the Company . See **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS** as it relates to the Company.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 2. CHANGES IN SECURITIES.

On November 21, 1991, the Company began soliciting the consent of all the holders of its Series A Floating Rate Senior Notes due 1996, Series B Fixed Rate Senior Notes due 1996, Series C Floating Rate Senior Notes due 1996, and Series D Fixed Rate Senior Notes due 1996 (collectively, the "Senior Notes") to certain amendments of (i) the indenture governing the Senior Notes (the "Indenture") and (ii) the Pledge Agreement (as defined in the Indenture).

The purposes of the proposed amendments were as follows:

(a) to permit the refinancing of the Company's $210,000,000 subordinated debt that matured in 1990 (with sinking fund payments in 1994 and 1995) and 1996 (with sinking fund payments in 1996 and 1997) with the proceeds of a new issue of $250,000,000 subordinated debt that bears interest at a lower rate per annum and that matures in 2003 (without sinking fund payments);

(b) to permit the Company to make additional acquisitions of propane assets and businesses in an orderly and timely manner by:

(i) extending the adjustment date of the Cash Interest Coverage Ratio to April 30 of each year;

(ii) excluding up to $25,000,000 per year of such acquisitions from the cash interest coverage ratio;

(iii) adjusting the method by which such acquisitions are included in the Cash Interest Coverage Ratio;

(iv) increasing permitted investments in Unrestricted Subsidiaries from $10,000,000 to $20,000,000; and

(v) making certain changes in covenants dealing with Unrestricted Subsidiaries.

(c) to allow a subsidiary of the Company to obtain letters of credit directly for its own account but without increasing the aggregate amount of Indebtedness;

(d) to permit the creation of a captive insurance company subsidiary by the Company solely for the purpose of reinsuring the self-insurance programs or other similar forms of retained insurable risks of the retail propane businesses operated by the Company and its Subsidiaries and Affiliates;

(e) to expand the definition of Cash Equivalents to include short term notes of issuers whose commercial paper is rated A-1 or P-1 that are privately placed;

(f) to clarify the interpretation of certain provisions of the Indenture and/or the Pledge Agreement relating to the incurrence of Indebtedness and the conduct of the Company's business in compliance therewith;

(g) to increase the level of certain permitted affiliate loans from $7,800,000 to $10,000,000; and

(h) to make certain financial definitions used to calculate ratios internally consistent.

Approval of the proposed amendments required the consent of the registered holders of at least 66 2/3 percent in aggregate principal amount of the Senior Notes (approximately $167 million) that were outstanding on November 15, 1991 (the "Requisite Consents"). By December 5, 1991, the Company had received consents from holders of the Senior Notes in an aggregate principal amount in excess of $170 million and the Fourth Supplemental Indenture and First Amendment to Pledge Agreement were executed on December 12, 1991. Copies of the Fourth Supplemental Indenture and First Amendment to Pledge Agreement were filed as exhibits to Amendment No. 2 to the Company's Registration Statement on Form S-1 (Commission File No. 33-43727) and are incorporated into this Form 10-Q by reference as if fully set forth herein.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

See ITEM 2. of Part II above.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

The exhibits listed on the accompanying Exhibit Index are filed as part of this report. Exhibits required by Item 601 of Regulation S-K which are not listed are not applicable.

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the three months ended January 31, 1992.

EXHIBIT INDEX

Exhibit No.	Description
* 4.1	Purchase Agreement, dated as of July 1, 1990, among the Company, Ferrell, Liberty Oil and the purchasers of the Senior Notes, and a list of the Exhibits thereto.
* 4.2	Indenture, dated as of July 1, 1990, among the Company, Ferrell, Liberty Oil and State Street Bank and Trust Company of Connecticut, N.A., as Trustee (which includes the form of Note as Exhibit A).
* 4.3	First Supplemental Indenture, dated as of December 20, 1990, among the Company, Ferrell, Liberty Oil and State Street Bank and Trust Company of Connecticut, N.A., as Trustee.
* 4.4	Second Supplemental Indenture, dated as of February 28, 1991, among the Company, Ferrell, Liberty Oil and State Street Bank and Trust Company of Connecticut, N.A., as Trustee.
* 4.5	Third Supplemental Indenture, dated as of March 20, 1991, among the Company, Ferrell, Liberty Oil and State Street Bank and Trust Company of Connecticut, N.A., as Trustee.
** 4.6	Fourth Supplemental Indenture, dated as of December 12, 1991, among the Company, Ferrell, Liberty Oil and State Street Bank and Trust Company of Connecticut, N.A., as Trustee.
** 4.7	Form of $250,000,000 11 5/8% Senior Subordinated Debenture Indenture due 2003, dated as of December 1, 1991, between the Company and Norwest Bank Minnesota, National Association, as Trustee.
11	Statement regarding computation of per share earnings.
* 24.1	Consent of Smith, Gill, Fisher & Butts, a Professional Corporation.
* 24.2	Consent of Deloitte & Touche.
* 24.3	Consent of Kevin K. Nunnick & Associates, Inc.
** 25	Power of attorney.

* Previously filed as an exhibit to the Company's and the Guarantors' Registration Statement on Form S-1 (Commission File No. 33-38482) and incorporated herein by reference.

** Previously filed as an Exhibit to the Company's Registration Statement on Form S-1 (Commission File No. 33-43727) and incorporated herein by reference.

Exhibit 11

FERRELL COMPANIES, INC.
AND SUBSIDIARIES

STATEMENT REGARDING COMPUTATION OF PER SHARE EARNINGS
For the three and six months ended January 31, 1992 and 1991
(unaudited)
(In thousands except per share data)

	January 31, 1992		January 31, 1991	
	Three Months Ended	Six Months Ended	Three Months Ended	Six Months Ended
Net Earnings (Loss)				
Earnings before extraordinary loss	$15,086	$ 9,885	$14,783	$12,734
Extraordinary loss	(9,979)	(9,979)	-	-
Net earnings (loss)	$ 5,107	$ (394)	$14,783	$12,734
Net Earnings (Loss) Per Common Share				
Weighted average common stock equivalent	2,828	2,577	2,943	2,943
Earnings per common share	$ 5.33	$ 3.72	$ 5.02	$ 4.33
Extraordinary loss per common share	(3.52)	(3.87)	-	-
Net earnings (loss) per common share	$ 1.81	$ (.15)	$ 5.02	$ 4.33
Common Stock Equivalents				
Class A Common Stock	2,573	2,573	2,573	2,573
Class B Common Stock	249	- (1)	370	370
Class M Common Stock	6	4	- (2)	- (2)
Weighted Average Common Stock Equivalents	2,828	2,577	2,943	2,943

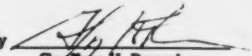
(1) In a net loss position, the inclusion of Class B common stock equivalents would be antidilutive.
(2) Class M shares were issued September 16, 1991.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

Ferrellgas, Inc.
Ferrell Companies, Inc.
One Liberty Oil Company
(Registrants)

Date: 3/13/1992

By 

Geoffrey H. Ramsden
Vice President and
Chief Financial Officer
(Principal Financial and
Accounting Officer)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

Ferrellgas, Inc.
Ferrell Companies, Inc.
One Liberty Oil Company
(Registrants)

Date: March 13, 1992

By /s/ Geoffrey H. Ramsden
Geoffrey H. Ramsden
Vice President and
Chief Financial Officer
(Principal Financial and
Accounting Officer)